

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO**

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO,

Debtor.¹

PROMESA

Title III

No. 17 BK 3283-LTS
(Jointly Administered)

**JOINT STATUS REPORT SUBMITTED PURSUANT TO
THE COURT'S JUNE 25, 2021 ORDER (ECF. NO. 17171)**

¹ The Debtors in these Title III Cases, along with each Debtor's respective Title III case number and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (the "Commonwealth") (Bankruptcy Case No. 17-BK-3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17-BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17-BK-3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17-BK-3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17-BK-4780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority ("PBA") (Bankruptcy Case No. 19-BK-5233-LTS) (Last Four Digits of Federal Tax ID: 3801) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

To the Chambers of the Honorable Judith G. Dein:

Ambac Assurance Corporation (“Ambac”) and Milliman, Inc (“Milliman”, and together with Ambac, the “Parties”) respectfully submits this Status Report pursuant to the Court’s order dated June 25, 2021 (ECF No. 17171).²

PROCEDURAL BACKGROUND

1. On April 20, 2021, Ambac filed its *Urgent Motion To Compel Milliman, Inc. To Comply With Subpoena Issued Pursuant To The Court’s January 13, 2021 Order Authorizing Rule 2004 Discovery* (ECF No. 16487).

2. After the motion was fully briefed, the Court issued an order on June 2, 2021 requiring Ambac to submit a status report by June 8, 2021 and Milliman and the Government Parties to submit a response to Ambac’s status report by June 11, 2021. (ECF No. 16867)

3. On June 8, 2021, Ambac filed its status report (ECF No. 16904, “Ambac’s Status Report”) and on June 9, 2021, Milliman filed its responsive status report. (ECF. No. 16914.)

4. On June 14, 2021, the Court ordered Milliman to respond to specific requests for discovery contained in Ambac’s Status Report. (ECF No. 16964.) On June 16, 2021, Milliman submitted a response to Ambac’s Status Report. (ECF No. 17050.)

5. On June 17, 2021, the Court issued an order requiring Milliman to make various productions and the Parties to meet and confer on certain issues and provide the Court with a joint status report by June 24, 2021. (ECF No. 17068, “the June 17th Order”).

6. On June 24, 2021, the Parties filed a joint status report with the Court (the “June 24th Joint Status Report”) (ECF No. 17161). In the June 24th Joint Status Report, the Parties:

² Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in *Ambac’s Urgent Motion To Compel Milliman, Inc. To Comply With Subpoena Issued Pursuant To The Court’s January 13, 2021 Order Authorizing Rule 2004 Discovery* (ECF No. 16487).

(a) requested “an order requiring that Milliman produce the Project Files to Ambac within two (2) weeks of the order, without redactions, and that all Project Files be treated as Confidential pursuant to the Protective Order, and may only be filed with the Court under seal”; (b) informed the Court that Milliman will produce a witness for a 30(b)(6) deposition “concerning the issues addressed in paragraph 5 of the Bowen Declaration” (the “Milliman Deposition”) and requested the Court to continue the deadline for the Milliman Deposition until July 8, 2021; and (c) updated the Court on the status of search term negotiations and asked the Court to continue the deadline for an update on the status of negotiations until Thursday, July 1, 2021.

7. On June 25, 2021, the Court issued an order: (a) requiring “Milliman to produce the Project Files to Ambac within two (2) weeks of the date of this Order,” and ordering “that all Project Files shall be treated as Confidential pursuant to the Protective Order, including the Protective Order’s provisions concerning the filing of sealed material, attached as Exhibit A to the Status Report”; (b) allowing the requested continuance for the Milliman Deposition to July 8, 2021; (c) allowing the continuance of the deadline to provide a status report to the Court concerning negotiations of e-mail search terms to July 1, 2021; and (d) requiring the Parties to submit a further status report on July 1, 2021 “if they cannot come to an agreement on any other issue contained in the June 17th Order.” (ECF No. 17171.)

SEARCH TERM NEGOTIATIONS

8. On June 22, 2021, Ambac proposed e-mail search terms to Milliman and requested a hit count. On June 23, 2021, Milliman advised Ambac that the individual who would conduct the search was out of the office this week, but that Milliman would run the proposed search terms upon returning to the office next week and advise of the hit count.

9. On June 28, 2021, Milliman advised of the hit count (over 11,000) and proposed revisions to Ambac's search terms to reduce the hit count.

10. On June 29, 2021, Ambac advised that it could not agree to the proposed revision.

11. On June 30, 2021, Milliman agreed to Ambac's proposed search terms without revisions and indicated it would have a sense of timing of production once it had a chance to begin review of the e-mails resulting from the terms.

12. On June 30, 2021, Ambac requested information regarding when Milliman expected to make its production. Milliman responded that it is unable to provide a date certain at this time, but that it would provide an update once it has collected and began to review the documents.

13. The Parties respectfully request that the Court continue the deadline for an update on the status of negotiations until Thursday, July 15, 2021.

ISSUES LEFT FOR THE COURT TO RESOLVE

14. At this time, there is no date certain for Milliman's production of e-mails. In the event that Milliman fails to provide a date certain for the substantial completion of its production of emails by July 15, 2021, Ambac will seek additional relief from this Court.

Dated: July 1, 2021
San Juan, Puerto Rico

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CERTIFICATE OF SERVICE

I hereby certify that on this same date a true and exact copy of this notice was filed with the Clerk of Court using the CM/ECF system, which will notify a copy to counsel of record.

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